

Annual Business Survey

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ABS Background

- New business survey planned for survey years 2017 - 2021
- Conducted annually as mandatory under Title 13
- Replaces Survey of Business Owners (SBO), Annual Survey of Entrepreneurs (ASE), and the Business R&D and Innovation Survey for Microbusinesses (BRDI-M)
- Also replaces the Innovation part of the Business R&D and Innovation Survey (BRDIS)
- Joint project between the Census Bureau and the National Science Foundation's (NSF) National Center for Science and Engineering Statistics (NCSES)

Survey of Business Owners

- Survey of Business Owners conducted every 5 years as part of the economic census
- First known as the Survey of Minority Business Enterprises (SMOBE) and the Survey of Women Business Enterprises (SWOBE)
- Developed in response to President Nixon's Executive Order 11458 to produce statistics on minority owned business
- Published number of firms, receipts, payroll, and employment by owner demographics
- Large sample size of 1.75 million to produce detailed statistics on minority owned employer and nonemployer businesses

Annual Survey of Entrepreneurs

- Supplement to the SBO
- Conducted annually to provide more frequent statistics on minority owned businesses (for survey years 2014 – 2016)
- Joint effort between the Ewing Marion Kauffman Foundation, the Minority Business Development Agency, and the Census Bureau
- Published number of firms, receipts, payroll, and employment by owner demographics
- Sampled 290,000 employer businesses to produce summary level statistics on minority owned employer businesses

Business R&D and Innovation Survey for Microbusinesses

- Annual survey to collect research and development activity for small employer businesses (for survey years 2016 and 2017)
- Sponsored by the National Science Foundation's National Center for Science and Engineering Statistics
- Sampled 200,000 employer businesses to produce R&D activity and costs and other business characteristics (similar to ASE)

High-Level Overview

Past

3 independent surveys SBO, ASE, BRDI-M

Present

Combined 3 surveys into one survey ABS

Future

Enterprise platform for businesses that combines administrative data and survey responses

ABS Purpose

- Combining to reduce respondent burden, increase data quality, reduce operational costs, and operate more efficiently
- Produce annual estimates on minority owned business
- Produce annual R&D estimates on small employer businesses (business with 1-9 employees)
- Measure new business topics such as innovation and technology
- Measure other business and owner characteristics

ABS Methodology

- Samples 850,000 employer businesses in benchmark year (2017)
- Reduced sample size to 300,000 employer businesses annually (2018 – 2021)
- Conducted on a firm (enterprise) basis
- Includes all nonfarm businesses filing IRS employer tax forms
- Covers 20 NAICS industries with some exclusions
- Excludes nonemployer businesses

ABS Sample

- Stratified by frame, industry, and state
- Uses administrative data to estimate probability firm is minority- or women-owned
- Each firm placed in one of 9 frames for sampling
- Large companies selected with certainty based on volume of sales, payroll, or number of paid employees
- Certain R&D industries selected with certainty

Sampling Frames

American Indian	Asian	Black or African American
Hispanic	Non-Hispanic white men	Native Hawaiian and Other Pacific Islander
Other (a different race as write-in)	Publicly owned	Women

ABS Content

- Designed to introduce a new business topic each survey year
- Core content maintained each survey year
- Rotate content off to maintain reasonable respondent burden
- Use administrative data where feasible
- Five-year module content plan by June 2018

ABS Estimates

- Firms, receipts, payroll, and employment by gender, ethnicity, race, and veteran status for all employer businesses
- Research and development activity and costs for businesses with 1-9 employees
- Innovation activity
- Technology usage
- Business and owner characteristics

ABS Data Tabulations

- Owner demographics
- Detailed industries
 - 2-6 digit NAICS
- Years in business
- Size of business
 - Employment and receipts
- Detailed geographies
 - US, state, msa, county, and economic place

2017 ABS Timing

- Data collection
 - June 2018 – December 2018
- Data processing
 - December 2018 – August 2019
- Data analysis and data table review
 - August 2019 – December 2019
- Data releases
 - December 2019

2018 – 2021 Timing

- Slightly shorter cycle
- Data collection
 - June – November
- Data processing
 - November – July
- Data analysis and data table review
 - July – November
- Data releases
 - November/December

ABS Outreach

- Efforts to engage researchers, stakeholders, respondents, and user community
- Data user webinar – June 2018
- Council for Community and Economic Research (C2ER) annual conference – June 2018
- Association of Public Data Users (APDU) annual conference – July 2018
- Ongoing discussions with Small Business Administration (SBA), Minority Business Development Agency (MBDA), National Women’s Business Council, Kauffman Foundation

Questions for the Committee

- What is the best approach to determine the optimal survey frequency of specific content items (core content collected annually vs occasional rotating content)?
- Our first intent is to collect detailed information on innovation as a topical module. Do you have suggestions of other topical modules we should consider in the future?
- Are we assuming too much risk by expanding survey scope and number of questions a company will answer one time?

Contact Information

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